

SECTION 30

TRAINING

A. Recurrent Training

1.
 - a. The recurrent dates and bidding timeline will be posted in the Flight Attendants' monthly bid packet. The Flight Attendants will submit their preferences for an upcoming recurrent training date in their base month. The requirements of Section 8.P do not apply to recurrent training assignments.
 - b. Recurrent Training will appear as a pre-planned event before the Flight Attendant constructs her/his line of flying or reserve line for the month.
 - c. If a Flight Attendant fails to bid for recurrent training in her/his base month, a recurrent training date will be assigned.
 - d. Seniority may be overruled to accommodate bid vacation or a Flight Attendant in a grace period due to circumstances beyond the control of the Company. Flight Attendants may sign up on their days off for any openings for recurrent training in the month prior to their base month after recurrent training assignments for Flight Attendants in their base/grace month have been posted.
 - e. Recurrent Training will not be considered one of a Flight Attendant's minimum days off.
 - f. Recurrent Training for Out-of-Domicile Flight Attendants in their base/grace month. When recurrent training is not offered in a Flight Attendant's domicile and s/he must attend recurrent training in a different domicile, recurrent training will be awarded or assigned on two (2) consecutive days. However, at the Flight Attendant's option, s/he may fly a sequence on her/his travel day, provided that s/he allows at least two (2) hours between the release from the sequence and the deadhead to training. If s/he does not make the scheduled class, s/he will be responsible for rescheduling the training. Flight Attendants required to take recurrent training in a different domicile are subject to the same pay and scheduling provisions as Flight Attendants taking recurrent in their domicile.
 - g. Recurrent training and any Company required training will be treated as a legal duty day inasmuch as eleven (11) hours crew rest, measured from release to report, before and after training must be scheduled.

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ADDENDUM TO

SECTION 29

PROFIT SHARING AND RETIREMENT

1. Am I covered under the Alaska Airlines Profit Sharing plan?

No. It has been replaced by the Variable Pay Plan.

2. How does the Variable Pay Plan work?

Each year, the Company will determine its adjusted pre-tax profit margin, according to Generally Accepted Accounting Principles. If this number, expressed as a percentage, is greater than 5.0%, Flight Attendants will receive a lump-sum distribution as follows:

Adjusted Pre-Tax Profit Margin	Payout (of TFP Wages)
0.00-5.00%	0
5.01-6.00	01-1.0%
6.01-7.00	1.01-2.0%
7.01-8.00	2.01-3.0%
8.01-9.00	3.01-4.0%
9.01-10.00	4.01-5.0%
10.01-11.00	5.01-6.0%
11.01-12.00	6.01-7.0%
12.00+	7.0%

Examples:

1. The Company's adjusted pre-tax profit margin was 4%. No variable pay is due to Flight Attendants, because the adjusted pre-tax profit margin was less than 5.0%.
2. The Company's adjusted pre-tax profit margin was 9%. Flight Attendants are entitled to a lump-sum distribution of 4% of the year's TFP wages. A Flight Attendant with TFP wages of \$35,000 would thus receive \$1,400.
3. The Company's adjusted pre-tax profit margin was 7.7%. Flight Attendants are entitled to a lump-sum distribution of 2.7% of the year's TFP wages. A Flight Attendant with TFP wages of \$35,000 would thus receive \$945.

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h. If rest following recurrent training is operationally reduced to less than eleven (11) hours, release to report, and the Flight Attendant has a sequence that provided eleven (11) hours crew rest, release to report, s/he will be placed on the sequence at the SIP, if possible, or paid the TFP value of the sequence which was dropped to provide rest. A Flight Attendant at her/his option may waive her/his eleven (11) hours crew rest, release to report, and will be paid one and five tenths (1.5) times the applicable trip rate until the Flight Attendant receives legal crew rest.

2. Those Flight Attendants not receiving ten (10) hours crew rest, release to report, prior to Customer Service Training or Recurrent Training due to crew re-route or reassignment on line, may choose to be pulled from training or attend training at double time. Flight Attendants who choose to be pulled from training to receive ten (10) hours, release to report, crew rest must take the responsibility of rescheduling for training within the FAA requirements to remain legal.

3. Flight Attendants required to attend recurrent training away from their own base will be provided with positive space travel and will be paid the actual trip rate for deadheading to and from recurrent training. A Flight Attendant assigned to the PDX co-domicile will receive positive space travel. The duty day will be eleven hours and fifty minutes (11:50) with recurrent training scheduled for no more than eight (8) hours and will occur between the hours of 7 a.m. and 5 p.m. Except for Flight Attendants assigned to the PDX co-domicile, Flight Attendants on duty for more than twelve and one half hours (12:30) will be compensated one (1) additional TFP.

4. A Reserve Flight Attendant will not be assigned any Company required training on a scheduled day off if the Flight Attendant has minimum scheduled days off. At her/his option s/he may bid any Company required training on a scheduled day off and be paid over and above her/his reserve guarantee.

B. Recurrent Training during or upon return from Leave of Absence. The Company will offer a full Level I/Level II Requalification Training class within the first 5 working days of every month. Flight Attendants who wish to attend Recurrent or Level I/Level II Requalification Training, may attend one of the classes offered throughout the month if space is available.

1. Flight Attendants on Leave of Absence

a. A Flight Attendant on medical or maternity leave may attend Recurrent or Level I Requalification Training once s/he meets the following conditions: Provide the attached medical release signed by both the Flight Attendant and the Flight Attendant's treating physician. A Flight Attendant whose medical condition limits her/his physical mobility or has psychological factors that would interfere with performance of activities as specified in the Medical Release form, may not

attend Recurrent/Requalification Training under any circumstances. The Flight Attendant is responsible for submitting the medical release to her/his supervisor at the earliest possible date.

b. A Flight Attendant who meets the criteria outlined in the Medical Release form may attend any available Recurrent/Level I Requalification Training class applicable to her/his qualification needs. Availability shall be determined by the Company after training dates have been assigned to active Flight Attendants through the normal bid process.

c. Flight Attendants who attend Recurrent/Level I Requalification Training under the circumstances outlined in Section I of the agreement will be paid six (6) TFP for attending training and any applicable compensation for the home study.

d. The Flight Attendant's approved leave of absence expiration date (under Section 15) shall not be affected by virtue of attending Recurrent/Requalification training under the terms of this agreement.

e. A Flight Attendant who has secured a release to attend Level II Requalification training may attend the training and perform the required check ride.

2. Flight Attendants Attending Level I or Level II Requalification Training (Returning from a Leave of Absence).

a. The Flight Attendant shall attend the first available Recurrent or Level I/Level II Requalification Training class.

b. Flight Attendants who attend Recurrent or Level I or Level II Requalification Training under the circumstances outlined in Paragraph B.2 of this Section of this agreement will be paid and scheduled as provided for in Paragraph A.1 of this Section.

C. Training Pay.

1. Recurrent Training. Flight Attendants will be paid six (6) TFP per day.

2. Home Study for Recurrent Training. Flight Attendants will be paid \$50 for five hours of home study.

3. Requalification Training. Flight Attendants will be paid as in Paragraphs C.1, C.2 and C.3 for attending Level I and Level II Requalification training. With respect to Level II Requalification Training, the Flight Attendant will also be paid for the check ride; however, s/he will not be reinstated for Company benefits unless s/he has a medical release to return to regular duties from a leave of absence.

4. Training other than Recurrent Training. Flight Attendants will be paid six

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(6) TFP for eight (8) hours of training. For training less than eight (8) hours, the TFP will be pro rated. In no event will the Flight Attendant receive less than the 4 TFP minimum.

1. Do legalities apply to recurrent training?

Crew rest of eleven (11) hours, release to report, must be provided before and after recurrent training. (Section 30.A.1.i) You may waive this down to nine hours prior to report for your next sequence after recurrent training, if you so indicate on your Recurrent Training Bid Form. You may also waive rest down to nine hours prior to report for the next sequence after recurrent training through trading with another Flight Attendant, a VJA assignment or picking up from Open Time. It will be presumed that you desire to waive crew rest by submitting the trade form unless the appropriate box on the trade form is marked ("I do not want to waive contractual rest and duty limitations to FARs to approve this trade.")

If you waived your contractual rest and have scheduled rest under eleven hours following recurrent training, and your rest is subsequently operationally reduced to fewer than eight hours, you will be placed on the sequence at the SIP, if possible, and paid the TFP value of the flights missed. If no SIP is possible, you will be removed from the sequence and pay protected. If you exercise the option to waive crew rest following recurrent training, you are not entitled to the 1.5 pay provisions outlined in Section 30.A.1.i.

2. If my duty day goes over twelve hours and thirty minutes (12:30) on a day I am traveling to or from training, do I receive double rest as provided for in Section 8.H.?

No, you are paid one (1) additional TFP. (Section 30.A.3.)

3. When deadheading to training, can I travel a day earlier or stay later if I choose?

Yes, but you can only use the Business Travel for the day prior to training, and the day of training to return to your base. Using the PET Website, book yourself "Business, Positive Space-Non-bumpable" ("B3" on AS and "Q3" on QX) When travelling on the day prior to training, book flights which arrive in SEA prior to 7:00pm. On the day of training, book flights which depart from SEA at 6:00 PM or later.

4. Can I bid for recurrent training in a base other than where I am based?

Yes. If training is offered in your base, and you elect to trade into an opening at another base, per diem, hotel and deadhead will not be paid. If you are based in ANC and choose to attend recurrent training in LAX, you are only paid for deadhead and per diem equal to if you had attended in SEA.

5. Can I deadhead to training from a city other than my base?

Yes, however per diem and over-duty pay will be based on applicable flights to and from your base.

SECTION 31

SAVINGS CLAUSE

Should any part or provision of this Agreement be rendered invalid by existing or subsequently enacted legislation, the balance of the Agreement shall remain in full force and effect.

6. Can I trade my Recurrent training days?

Yes, you may trade for an opening in another class on a day off. Trades will be processed by Crew Scheduling.

7. What happens if I am assigned Recurrent training and then call in sick?

In all cases, you will be paid for recurrent training only when you attend. Absences will be processed under Section 32.

SECTION 32

ATTENDANCE POLICY

The Attendance Policy for Flight Attendants shall be as follows:

A. REPORTING PROCEDURE

In all cases of absence, a Flight Attendant will be required to call the designated Company representative.

1. Unless otherwise specified, the call will be valid only for the Flight Attendant's next scheduled sequence. The Flight Attendant may specify a longer period, covering sequences beginning within the five (5) consecutive calendar days following the call.
2. Unless otherwise specified, a Reserve Flight Attendant's call shall be valid only for one (1) day. The Reserve Flight Attendant may specify a longer period, up to five (5) consecutive calendar days following the call.

B. TIMELINESS OF REPORTING

A Flight Attendant must check in at each domicile at least one (1) hour prior to scheduled push of the aircraft. Sick calls must be made to the designated Company representative at least two (2) hours prior to check-in (3 hours prior to scheduled departure).

C. DEFINITIONS

1. No Show: 1) When a Flight Attendant fails to check in at the time designated or checks in and does not make the scheduled departure either on an originator flight or at an outstation; 2) being unavailable for contact while on reserve; 3) being unavailable for contact during scheduled or unscheduled ground time; or 4) being unavailable for contact because the Flight Attendant failed to take a scheduled deadhead, except as provided for in Section 10, Paragraph Y.
2. Failure to Report: The following provisions apply. When a Flight Attendant fails to check-in at the time designated, Scheduling has no obligation to attempt to contact the Flight Attendant. If, however, prior to Scheduling calling a Reserve and making a Reserve assignment because of the No Showed flight or sequence, the Flight Attendant contacts Scheduling from the designated check-in area, or if Scheduling contacts the No Showing Flight Attendant in the Flight Attendant lounge, the No Show will be reduced to the offense of Failure to Report. Attempting to contact the Flight Attendant in the Flight Attendant lounge is in the sole discretion of Scheduling.
3. Reported Illness Using Quarterly Point Reduction: When a Flight Attendant calls at least two (2) hours prior to check-in (three (3) hours prior to scheduled departure) to report that s/he will not report to work

because of her/his personal illness/injury. (Limited to one continuous occurrence of illness per calendar quarter).

4. Reported Illness without or after Using Quarterly Point Reduction: When a Flight Attendant calls at least two (2) hours prior to check-in (three (3) hours prior to departure) to report that s/he will not report to work because of her/his personal illness/injury, and has already selected another occurrence for the same quarter to use for quarterly point reduction or chooses not to use quarterly point reduction for the occurrence.
 5. Reported Illness Within Two (2) Hours of Check-In (or three (3) hours of Scheduled Flight Departure): When a Flight Attendant calls in sick less than two (2) hours prior to check in (three (3) hours prior to scheduled flight departure).
 6. Sick Leave on Line: When a Flight Attendant reports to work but fails to complete her/his scheduled sequence because of personal illness and has already selected another occurrence for the same quarter to use for quarterly point reduction or chooses not to use quarterly point reduction for the occurrence in the same calendar quarter.
 7. M.B.L. (Might be Late): When a Flight Attendant calls prior to check-in and reports that s/he might be late. Registered commuters cannot use the M.B.L. policy.
 8. Failure to Report to Training Class: When a Flight Attendant fails to report to a scheduled training class by the scheduled time of class.
 9. Single Continuous Occurrence of Illness: When a Flight Attendant is continuously ill or disabled due to a single illness or occurrence. Separate sick calls relating to a Single Continuous Occurrence of Illness must be made within fourteen (14) days after the ending of the last day of absence due to the initial report of illness. If the Flight Attendant returns to active duty and files a single sequence or portion of a sequence, or a single block or portion of a block of reserve days, between incidents of illness, the incidents will be considered a Single Continuous Occurrence of Illness.
- D. A Flight Attendant must designate a sequence for Quarterly Point Reduction prior to the end of her/his next sequence.
- E. CONTROL PROCEDURE
1. Absences as described above will be recorded in the following manner.

Occurrences	Points Assigned
No Show	2 ½
Failure to Report	1
Reported Illness Using Quarterly Point Reduction	0
Reported illness after or without Using Quarterly Point Reduction	½ point per day on the sick list, with a maximum of 2 ½ points per single continuous occurrence of illness
Reported Illness within Two (2) Hours of Check-In (Three (3) Hours of scheduled Flight Departure)	2 ½
Sick Leave on Line after or without Using Quarterly Point Reduction	½ point for each day or part of a day missed
M.B.L.	½
Failure to Report to Training Class	1
Emergency Drops	½

Employees receiving chargeable occurrences for absenteeism will receive the following disciplinary action as the points associated with those occurrences accumulate:

- 0 - 4 ½ No action taken
- 5 - 6 ½ Counseling
- 7 - 9 Written Warning
- 9 ½ - 11 ½ Final Warning (Possible termination for overall job performance)
- 12 Termination of Employment

NOTE: It is up to the individual Flight Attendant to know the status of her/his own point accumulation. Flight Attendants should feel free to contact their supervisors at any time for counseling regardless of their accumulated points. Points will continue to accumulate even if warning letters are unable to be sent or received or counseling is unable to be timely given, due to the rapid accumulation of points by the Flight Attendant.

F. Administration of Discipline

1. In connection with discipline given under this Section, the twelve (12)-day disciplinary notice requirement of Section 19.A.1. will be applied as follows:

- a. The Company will give notice of the disciplinary action within twelve (12) days after the date the Company, including the Crew Scheduling Department, could reasonably have knowledge of the occurrence that leads a Flight Attendant's

total point accumulation to trigger disciplinary action. If the Company does not give notice of the disciplinary action within twelve (12) days after the date the Company could reasonably have knowledge of the event leading to the discipline, the notice of discipline, if issued, will be removed from the Flight Attendant's personnel file, the points associated with the most recent occurrence will be deleted from the Flight Attendant's record, and the Flight Attendant shall be considered exonerated.

- b. The final determination of what points, if any, should be assigned to a Flight Attendant who calls in a Reported Illness or Sick Leave on Line cannot always be made until the end of the Flight Attendant's next scheduled sequence. Therefore, for any Reported Illness or Sick Leave on Line, the Company will wait until the end of the next scheduled sequence before determining what points, if any, should be assigned. If the Flight Attendant's total point accumulation triggers disciplinary action, the Company will give notice of disciplinary action within twelve (12) days after the end of the next scheduled sequence. If the Company does not give notice of the disciplinary action within twelve (12) days after the next scheduled sequence, the notice of discipline, if issued, will be removed from the Flight Attendant's personnel file, the points associated with the most recent occurrence will be deleted from the Flight Attendant's record, and the Flight Attendant shall be considered exonerated.

The "next scheduled sequence" includes the next sequence flown as well as airport standby reserve duty, but does not include sequences for which a Flight Attendant No Shows.

- c. Saturdays, Sundays, and recognized holidays are excluded from calculation of the twelve (12) days.
- d. Notwithstanding the time limits described above, the Company is not required to delete points from the Flight Attendant's record when notices of discipline are unable to be timely sent or received, or counseling is unable to be given due to the rapid accumulation of points by the Flight Attendant.

2. When a Flight Attendant is absent (including No Shows and failures to report), and a delay resulted because of the absence, the Flight Attendant shall not receive separate discipline for causing or contributing to the delay in addition to points under the Attendance Policy.

G. RECORD IMPROVEMENT

1. For each calendar quarter during which a Flight Attendant is active for the entire quarter and has no chargeable occurrences during the entire

ADDENDUM TO SECTION 32

ATTENDANCE POLICY

GENERAL INFORMATION

1. When can I use sick leave?

Sick leave may be used for:

1. disabling illness or injury;
2. covering the difference between Worker's Compensation and straight-time hours.
3. death in the immediate family.
4. maternity leave.
5. FMLA for your illness or injury; and
6. pursuant to applicable State law and/or Company policy.

2. How frequently must I call in to the Company during a period of illness?

Lineholder: A sick call will be deemed to cover only your next scheduled sequence unless you specify otherwise. If you are holding a line of time, you may specify an extended period which will cover sequences that begin up to five (5) consecutive days following the sick call. (Section 32.A.1.)

Reserve: A sick call will be deemed to cover only one (1) calendar day unless you specify a longer period, up to five (5) calendar days following the call. (Section 32.A.2.)

You are responsible for notifying the Company should your illness require that you remain absent beyond the period you specify in the initial sick call.

3. What can I do if my physician recommends that I be absent from work for an extended period?

You may request a Leave of Absence or a Family Medical Leave. Leave of Absence must be requested and approved by Inflight prior to the beginning of the Leave. Prior to approval, you may be required to see the Company physician. (Section 15.C.)

4. What if due to an emergency situation I am unable to request a Medical Leave prior to the beginning of the Leave?

Inflight will allow your Medical Leave to be dated back to the date of your injury if your doctor so verifies. Speak to a Supervisor as soon as the need for the Leave is known.

5. How much notice am I expected to give the Company if I am too ill or injured to come to work?

You should give the Company as much notice as possible. If you are unable to notify the Company at least two (2) hours prior to check-in (three (3) hours prior to the scheduled departure of your flight), you will receive 2.5 points, regardless

quarter, two (2) points will be deleted from the Flight Attendant's accumulated points until the total reaches zero (0). Time on leave of absence will not be counted toward record improvement.

2. Points will be deleted from the Flight Attendant's accumulated total eighteen (18) months after the event for which the points were charged.

3. Flight Attendants who have zero (0) points and thereafter accumulate two (2) consecutive quarters with no chargeable occurrences can bank two (2) points for each two (2) consecutive quarters of perfect attendance, up to a maximum of four (4) points.

4. At the end of each calendar year, any Flight Attendant who has four (4) or fewer points and did not accumulate more than one (1) point since November 1st of that year will have her/his record reduced to zero (0) points.

5. The Company shall keep a running accumulated total of points for each Flight Attendant adding accumulated points or deleting points for record improvement when each is due. Deletion of points 18 months after the event for which the points were charged, shall be in addition to any record improvement due to a calendar quarter free from any chargeable occurrences. When a Flight Attendant's accumulated point total becomes zero, all of her/his prior points and record improvement point deletions shall have no further effect on her/his accumulated point total; and may be used only to resolve a dispute about the time the point total reached zero.

H. ABUSE OF SICK LEAVE

Using sick leave or sick pay for a purpose other than a legitimate illness constitutes abuse. Abuse of sick leave or sick pay shall subject an employee to termination.

I. EXCUSED TIME OFF

Approved leaves of absence will not be considered in the administration of this Section.

J. SPECIAL CIRCUMSTANCES

Special circumstances will be handled on an individual basis at the sole discretion of the Company.

of the length of the sequence. For example, you will receive 2.5 points for a turn or a four (4)-day sequence. (Section 32.B and C.5 and E.1.)

6. **Why do I accrue points for legitimate illness or injury beyond my control?**
The Attendance Policy outlined in Section 32 is not about finding fault with anyone. It is a tracking system to show whether or not you were at work when you were scheduled to be there. The Company has an obligation to ensure that all of the flights are properly staffed.

7. **What do I do if I feel my attendance record reflects an error?**
If a Flight Attendant's attendance record reflects an error, the points assessed in association with the error will be removed and the occurrence will be deleted. The Flight Attendant will be eligible for record improvement if s/he qualified for record improvement without the error.

If the Company chooses to adjust points for an occurrence due to special circumstances in accordance with Section 32.J, the Flight Attendant will not receive record improvement for the quarter in which the adjustment occurred.

8. **If I call in sick for an all-nighter or a sequence that is one duty period but spans two calendar days, how many points will I receive under the Attendance Policy?**

If you call in sick for this type of sequence, you are assessed one half (.5) point because it is one duty period.

9. **Will discipline given in connection with Section 32 be issued within twelve (12) days?**

Yes. However, for a Reported Illness or Sick Leave on-line, the Company will wait until the end of the next scheduled sequence before determining what points, if any, should be assigned. If discipline action is triggered, the Company will give notice of disciplinary action within twelve (12) days after the end of the next scheduled sequence. The "next scheduled sequence" includes the next sequence flown, as well as APSB duty, but does not include sequences for which a Flight Attendant No Shows or calls in sick.

NO SHOW

10. **Do I get paid for a sequence for which I No Show?**
No.

11. **What happens if I am on Reserve and unavailable for contact?**

You will receive 2.5 points for the No-Show and have five (5) TFP deducted from your Reserve guarantee. You must contact Crew Scheduling immediately upon learning they are trying to reach you. Once you contact Crew Scheduling, you are considered on-call again and will have five (5) TFP reinstated towards your guarantee. You may not waive being on Reserve after a No-Show. (Section

32.C)

12. **Is it possible to No Show more than once per day?**

Yes. Example: If you No Show and are given another assignment for which you No-Show again, you will be charged with a No Show for each. This is especially important for a Reserve who is on call and must be available for contact.

13. **The contract states that being unavailable for contact during scheduled or unscheduled ground time is a No Show. What does that mean?**

That means that you will be charged with a No-Show if you cause a flight delay due to the fact you could not be contacted during your scheduled or unscheduled ground time. The most common form of contact would be a page by airport personnel. If you are not going to be in a place where you are likely to hear a page, please ask your crew to listen for you.

REPORTED ILLNESS

14. **I called in sick for a multiday sequence that had no flying on one day. Would I accrue attendance points for that day?**
Yes.

15. **What are the points for a Reported Illness, assuming I do not designate that occurrence for quarterly point reduction?**

You will be assigned ½ point for each day or part of a day missed up to a maximum of 2 ½ points per single continuous occurrence.

16. **Will I accrue attendance points when I call in sick for my child, and can I designate this as an occurrence for quarterly point reduction?**

Pursuant to Company policy, no attendance points are assessed for an absence called in for a sick child (zero points per day).

17. **May I use quarterly point reduction for a Reported Illness within two hours of check-in (three hours prior to departure)?**

No. (Section 32.C.5.)

MIGHT BE LATE

18. **What is the advantage of using a Might Be Late?**

The Company is in better position to avoid a delay. If you think you might be late and don't use this option and subsequently are late for check-in, you would be a No Show (2.5 points). Your call to Scheduling regarding being late for your check-in will be considered a Might Be Late call.

19. **Once I call and say I might be late, what happens if I am late?**

If you are not on board the aircraft forty-five (45) minutes prior to departure, you

will be replaced and you will be charged with a No-Show and receive 2.5 points. You must contact Crew Scheduling to let them know when you have arrived to avoid being replaced.

FAILURE TO REPORT TO TRAINING CLASS

20. I signed up for a training class, voluntarily. It wasn't a mandated class, but when I changed my mind and decided not to go, I got a Failure to Report to Training. Why?

If you voluntarily signed up for a class, you were then scheduled to be at class. If you did not formally cancel your spot in class, you will receive one (1) point. Having your name on the class list holds your spot in class and prevents another person from going.

SINGLE CONTINUOUS OCCURRENCE OF ILLNESS (SCO)

21. How long does a Single Continuous Occurrence of Illness last?

For a Lineholder: A Single Continuous Occurrence can last up to a maximum of 14 days after the end of the first sequence for which you called in sick.

For a Reserve: A Single Continuous Occurrence can last up to a maximum of 14 days after the end of the affected block of Reserve days. (Section 32.C.9.)

22. What stops a Single Continuous Occurrence of Illness?

For a Lineholder: At the end of fourteen days after the first sequence missed, the Single Continuous Occurrence ends. Returning to active duty or a new illness or injury will also end the Single Continuous Occurrence, unless the Flight Attendant files only a single sequence or portion of a sequence between incidents of illness within the fourteen days. The incidents will then be considered a Single Continuous Occurrence.

For a Reserve: Since a Reserve does not have scheduled sequences on their lines, a Single Continuous Occurrence of Illness starts at their first sick call and lasts fourteen days past their first block of reserve days. Returning to active duty or a new illness or injury will also end the Single Continuous Occurrence, unless the Flight Attendant files a single block or portion of a block of reserve days within the fourteen days. The incidents will then be considered a Single Continuous Occurrence. (Section 32.C.9.)

23. Does the 2 ½ point maximum for absences (Reported Illness without or after using quarterly point reduction or for yourself and/or one per child in the quarter) apply to each single continuous occurrence?

Yes. Examples:

The examples listed below assume that the Flight Attendant has called in at least 2 hours before check-in (three hours before scheduled flight departure), and either does not use quarterly point reduction or has already used it in the quarter.

Example #1: Flight Attendant calls in sick on either the 1st or the 2nd and remains absent until the 14th - 2 ½ points.

Example #2: Flight Attendant calls in sick on either the 1st or the 2nd and remains absent until the 21st - 2 ½ points through the 18th, and 1 ½ points for the absences on the 20th, 21st, and 22nd. Total - 4 points.

Example #3: Flight Attendant calls in sick on the 1st, returns to work on the 6th and works one sequence (or part of a sequence), then calls in sick on the 9th and remains absent until the 15th. Total—2.5 points

QUARTERLY POINT REDUCTION

24. What if I forget to designate an occurrence for quarterly point reduction by the end of my first sequence?

You have lost your ability to reduce your points for that occurrence. Selection of an occurrence for quarterly point reduction submitted after completion of the sequence following your illness will not be accepted for point reduction. Section 32.D.

25. When can I expect a Supervisor to talk to me about my points?

Your Supervisor may discuss your record at any point, but formal counseling is when you have accrued between five (5) and six and a half (6.5) points.

If you accumulate points rapidly, your Supervisor may not be able to send a letter of warning. It is up to the individual Flight Attendant to know the status of her/his own point accumulation. (Section 32.E.)

RECORD IMPROVEMENT

26. What are the different types of Record Improvement?

1. If you have a point balance at the end of a calendar quarter and then achieve a full calendar quarter with no chargeable occurrences, two (2.0) points will be reduced from your record at the end of that calendar quarter until your record reaches zero points. Your record will not go below zero.
2. If you have zero points at the end of a calendar quarter and then achieve two (2) full calendar quarters with no chargeable occurrences, you will bank two (2.0) points for each two (2) consecutive quarters without chargeable occurrences, up to a maximum of four (4.0) points.
3. If on December 31st you have four (4.0) or fewer points and did not accumulate more than one (1.0) point since November 1st of that year, your record will reflect zero points on January 1st of the following year.
4. Points will be deleted from your accumulated total eighteen (18) calendar months after the event for which the points were charged. Once your accumulated point total becomes zero, all of your prior points

EMERGENCY DROP**33. What is an Emergency Drop?**

The contract does not provide for or address any personal emergencies, but we recognize there are times you need to be with your family. An Emergency Drop allows you the time off you need during a personal crisis.

34. How does the Emergency Drop work? Is there pay or points?

There is no pay for sequences missed due to an Emergency Drop. You will accumulate one half point (.5) per day for the entire period of absence. You may submit a request to the Managing Director, Inflight for point reduction. In rare cases, points will be reduced.

35. Who do I contact if I wish to request an Emergency Drop?

Contact your Supervisor, through Crew Scheduling if after business hours. S/he will authorize your drop and notify Crew Scheduling if appropriate. You may submit a request to the Managing Director, Inflight for point reduction. In rare cases, points will be reduced.

and record improvement point deletions shall have no further effect on your accumulated point total.

Time on Leave of Absence will not be counted towards record improvement.

27. What is a chargeable occurrence?

A chargeable occurrence happens whenever points are charged to your record that are not reduced by quarterly point reduction. The occurrence is still considered chargeable even if you have banked points to offset the points charged to your record.

28. What type of Leaves of Absence will disqualify me from Record Improvement?

Medical Leave, Maternity Leave, Worker's Compensation Leave, Educational Leave, Personal Leave, Parental Leave, Family Leave, Extended Leave, Furlough or any other period taking you off the payroll on a leave status. Additionally, you are not considered active for record improvement while absent due to occupational illness or injury.

29. If points on my record are adjusted due to special circumstances in accordance with Section 32.J, will I still receive Record Improvement?

No, because there was still an occurrence for that quarter.

ABUSE OF SICK LEAVE**30. What is Abuse of Sick Leave?**

Sick leave time and/or pay cannot be used for any purpose other than your own illness or injury, illness or injury of another (pursuant to applicable State law and/or Company policy), death in the family in accordance with Section 15 H. of the Agreement, or Maternity Leave (Section 15.D). Any other use constitutes abuse and will subject the user to discharge. (Section 32.H.)

FUNERAL LEAVE**31. Is there a provision for Funeral Leave?**

Yes. See Section 15.H. for benefits and eligibility requirements.

32. My neighbor died. I was very close to her. Can I take Funeral Leave to go to her funeral?

Funeral Leave is only available for immediate family. You may contact your Supervisor to request an Emergency Drop.

SECTION 33**DURATION**

This Agreement, except as otherwise specifically stated, shall become effective May 1, 2006, and shall continue in full force and effect through May 1, 2010, and shall renew itself without change until each succeeding May 1 thereafter, unless written notice of intended change is served in accordance with Section 6, Title 1 of the Railway Labor Act, as amended by either party hereto, at least sixty (60) days prior to May 1, 2009, or any May 1 thereafter.

The parties agree to engage in Section 6 negotiations for a period of twelve (12) months; if no tentative agreement has been reached at the end of twelve (12) months, the parties will jointly request mediation under the auspices of the National Mediation Board.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this 1st day of May, 2006.

WITNESS:

FOR ASSOCIATION OF FLIGHT
ATTENDANTS-CWA, AFL-CIO

Patricia A. Friend
International President

Veda Shook
MEC President

Renee Elson
Negotiating Committee Member

Stephen Poynter
Negotiating Committee Member

James H. Ellis
Negotiating Committee Member

Kimberley Chaput
Staff Attorney/Negotiator

WITNESS:

FOR ALASKA AIRLINES, INC.

Jeff Butler,
Managing Director Inflight

Kelley Dobbs,
Staff VP, Employee Services

Kieran Whitney,
Director Crew Resources

Lori Manning,
Manager Labor Relations

Dennis Hamel
Vice President, Employee Services

Sideletter No. 1

LETTER OF AGREEMENT REGARDING
IMPLEMENTATION OF PREFERENTIAL BIDDING SYSTEM
between
ASSOCIATION OF FLIGHT ATTENDANTS-CWA
and
ALASKA AIRLINES, INC.

This made and entered into in accordance with the provisions of the Railway Labor Act, as agreement is amended, between Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Flight Attendants in the service of Alaska Airlines, Inc., as represented by the Association of Flight Attendants-CWA (hereinafter referred to as the "Association").

NOW, THEREFORE, it is mutually agreed to and understood by and between the parties to this letter of understanding regarding the implementation of a Preferential Bidding System (PBS):

1. Any PBS vendor must be mutually agreed upon between the Company and the Association.
2. All PBS algorithm, process changes and logic changes must be mutually agreed upon. Any future changes to the algorithm or parameters must be mutually agreed upon.
3. PBS Implementation Committee: A joint Company/Association Committee (the "Joint PBS Committee") shall be established immediately upon execution of this Agreement. The Joint PBS Committee shall be composed of two (2) members from the Company and two (2) members from the Association. The Association members of the Joint PBS Committee will be considered full time through implementation of both the Bid Line and Reserve systems plus three months. The Association members shall have continuing PBS involvement as part of the Scheduling Committee.

4. PBS Implementation: Implementation and development of the PBS shall be overseen by the Joint PBS Committee. The Association members will be provided equal access to verify system settings, constraints and parameters (within the vendor's contractual limitations/restrictions, provided that, if the applicable contract does not permit the Association to acquire its own copy of the software, then the Association will be provided access to the Company's copy adequate to enable the Association to verify system settings, constraints and parameters). Bidding interface will be accessible to Flight Attendants both inside and outside the Company's network (home computer via internet). The Company shall bear all expenses related to the initial start up and subsequent "debugging" of PBS, including but not limited to, software development and all post-installation software modification reasonably requested by the Association, equipment purchases, the interfacing of current hardware with new PBS computers, the supplying of

sufficient terminals for Flight Attendants to bid at each domicile, and the providing for internet and network bidding capabilities, for a web-based program. The Company will not supply Flight Attendants with personal computers or internet access away from work.

5. PBS Training: The Joint PBS Committee shall develop all required PBS procedure manuals and training programs and oversee Flight Attendant training which will begin at least four (4) months prior to PBS going "on line." During the training period, a parallel bidding procedure will be made available to Flight Attendants for familiarization purposes. During the training months, in addition to the Association members of the Joint PBS Committee, there will be the Association appointed Trainers in each domicile (and co-terminal and co-domicile). The Company shall bear all costs of training; including flight pay loss for the Association members of the Joint PBS Committee, and the Association domicile Trainers. For the first several months following implementation, the trainers will be available to help Flight Attendants to bid, and to understand their award. No part of the PBS software or equipment shall be substituted, altered or modified without the prior written consent of the Association.

6. The Sections, or portions thereof, of the new agreement involving building of or bidding for Bid Lines or Reserve Lines shall not become effective until implementation of PBS.

7. Paper bid packages will continue to be made available to each Flight Attendant for three (3) months following full implementation of the PBS.

8. Initial implementation of PBS for Bid Lines is targeted for January 1, 2007, and for Reserve Lines two months after Bid Lines have been implemented. (The daily vacation credit will be 4 TFP for all Flight Attendants beginning January 1, 2007. Section 14.C., with that modification, remains in effect until implementation of PBS.) Implementation will not start unless the Company and the Association agree that the PBS is ready for implementation.

Line Construction:

Lines shall be constructed preferentially, in order of seniority, one Flight Attendant at a time with the Flight Attendant holding as many sequences available at her/his seniority that meet her/his specific preferences, such preferences being stated in priority order provided that those sequences do not conflict with any known absences.

Criteria for Lines:

- a. A bid line shall be a monthly line composed entirely of published sequences with a monthly schedule of no more than 10 TFP above or below the monthly bid line average in the domicile (or co-domicile). Each domicile's line average will not go below 78 TFP nor above 85 TFP.
- b. All contractual limitations on the construction of bid lines shall remain in effect.
- c. A bid line will contain no reserve days and a reserve line will contain only reserve days and days off.

- d. A bid line will not contain any out of domicile sequences.
- e. In LAX, bid lines may consist of sequences with check-ins at LAX and one, and only one, co-terminal.

Bidding and Awarding of Monthly Schedules:

The Company will utilize and maintain a Preferential Bidding System (PBS), meeting the requirements in this section and any other terms, which have been mutually agreed upon by the Company and Union, for the construction and awarding of flight schedules and Reserve Lines of Time. The Company will provide monthly bid packages and awards

1. **Planned absences/activities**
A Flight Attendant will bid in her/his specific domicile. (When "domicile" is used herein, it will include any co-domicile.)
 - a. Flight Attendants on a no-bid status, but otherwise eligible to bid, will be scheduled outside of the PBS system (e.g. Trainers).
 - b. A Flight Attendant who will be available to work less than an entire month will be allowed to bid during the bidding process, and will be awarded a schedule for that portion of the month which she/he will be available, with the number of minimum days off prorated based upon the numbers of days available; e.g., a Flight Attendant returning from maternity leave mid-month.
 - c. Carry-ins/absences/pre-awards that are known at the time of bidding, will be pre-planned in the bid process, and credited in the new month.
2. A Flight Attendant will use the electronic bid system agreed to by the parties unless an alternative method has been approved by the Company and the Association. Provision for alternative bidding will be made available to Flight Attendants in the event of a system failure.
3. Bid packages will be made electronically available via a home access computer system and the Company computer terminals located in each domicile on or before the date of bid package distribution. One hard copy of the bid package will be available at each domicile or co-terminal. Bid packages shall contain all of the sequence information, for all of the scheduled sequences in a given domicile and its co-terminals. Each domicile's bid package shall state the anticipated number of bid lines and reserve lines that will be awarded in that domicile, the line average for the month in the domicile, the minimum and maximum TFP's a line can be built to in the domicile, and the training dates and locations for the domicile.
4. **Bidding time line:**
 - a. Bid packages will be made available to all Flight Attendants at each domicile on or before 09:00 local domicile time on or before the fifth (5th) of the month prior to the bid period.
 - b. A Flight Attendant must submit her/his bid by 09:00 local domicile time on the 10th of the month prior to the bid period.
 - c. The system will allow a Flight Attendant to revise her/his bid. The last bid submitted will be honored.
 - d. The bid award will be made available to all Flight Attendants by 09:00 local domicile time on or before the 13th of the month prior to the bid period, but as soon as possible.
 - e. Reserve Lines will be awarded 24 hours after Bid Lines are awarded.

- f. Bid Lines are final as of 09:00 local domicile time on the 15th of the month prior to the bid period.
- g. In the event of a major, previously unknown airline schedule change, after pairings are constructed, the Company and the Association may agree to modify the Bid Timeline as appropriate.
5.
 - a. A Flight Attendant failing to make a bid or failing to meet the deadline will be assigned a line in the awards as per her/his standing bid. A standing bid may be submitted at any time by a Flight Attendant, and will remain in effect until it is changed by the Flight Attendant, but no later than the date bids must be submitted for a given month.
 - b. If no standing bid exists, the Flight Attendant will be assigned a reserve line.
6. The PBS System will generate, track, and provide each Flight Attendant a bid confirmation for each bid supplied by the Flight Attendant.
7. Following the awarding of bid lines, there will remain a minimum amount of Open Time in each domicile, consisting of TFP equal to 25% of the total number of Flight Attendants in the domicile. (Example: If the Seattle domicile has 1,000 Flight Attendants, there will be a minimum of 250 TFP of open flying remaining in the domicile after the awarding of the bid lines.)
8. All monthly lines shall be awarded in accordance with seniority and bid preferences. In cases where a Flight Attendant is denied a bid preference to ensure adequate daily work coverage, such assignment shall be in accordance with the bid preferences of the Flight Attendant and forced in inverse order of seniority.
9. An individual Report will be made available to each Flight Attendant each month which reconciles the Flight Attendant's bid to her/his awarded schedule on a preference by preference basis.
10. **Bid Protests**
 - a. Any Flight Attendant who has an inquiry or believes she/he may have received a mis-award on her/his final award shall notify Crew Planning prior to 09:00 local domicile time in the 15th of the month prior to the bid period.
 - b. Crew Planning shall promptly review any inquiry submitted. If a programming or system error occurred, the affected Flight Attendant will be made whole. No remedy will be available if the subject of the inquiry was due to the Flight Attendant's choice of bid preferences.
 - c. Where there is a programming error that affects substantial numbers of Flight Attendants in a domicile(s), there may be a re-award upon agreement between the Company and the Association.
11. If, after the final bids have been awarded, any errors are subsequently discovered that makes any bid illegal in any manner, the Company will pull the Flight Attendant from sufficient flights with pay to be made legal.

Line Construction – Preferential Bidding System

The following procedures will precede line construction:

- a. All known flying, including charters, shall be placed in the PBS for bid.
- b. The company will apply any known absence to a Flight Attendant's schedule. The credit value of the known absence(s) will be reflected in the total value of the line for purposes of the line building parameters according to the schedule below.
- c. For the purposes of Line Building, the planned absences or events will have the following credit value applied towards a Flight Attendant's line credit, and the following TFP value: Training: 0 trips per day (6 TFP per day); Vacation: 4 trips per day (4 TFP per day); Leaves: 2.75 trips per day. (Pay, if any, will be based upon the type of leave).
- d. If a Flight Attendant is withheld from service by the Company at the time of bid closing she/he will be allowed to bid for a schedule for the following bid period in accordance with this section.
- e. Recurrent training is not considered one of a Flight Attendant's minimum days off.

Bid Line Options/Preferences:

Types of bid requests:

- a. Global -- A bid request that sets overall guidelines for the bidder's schedule
- b. Prefer Off -- A bid request used to request dates or days off during the month
- c. Avoid -- A bid request used to define unwanted sequences or sequence criteria during the month
- d. Award -- A bid request used to define preferences for work during the month
- e. Instruction -- A bid request that provides special instructions to change or remove prior restrictions when processing your bid

Specific agreed upon bid line request choices (the terminology in the PBS may differ):

1. Prefer Off
2. Departing On
3. Specific Aircraft Type
4. Average daily TFP
5. Sequence Check-in Time
6. Sequence Release Time
7. RON Check-in Time
8. RON Release Time
9. Sequence length
10. Maximum Legs per Duty Day

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11. Duty Time
12. Fly with/Avoid Employee #
13. Landings In
14. Layover Date
15. Layover In
16. Layover Time
17. Sit Time
18. TAFB
19. Sequence #
20. Sequence Credit
21. TFP value per TAFB
22. Sequences including specific Flight #
23. Minimum Days Off/Maximum Days On (Pattern)
24. Minimum Schedule
25. Maximum Schedule
26. Minimum Domicile Rest
27. Front end loading of flying on multi-day sequence
28. Bid position
29. Spanish language Flight Attendant (LAX only)
30. Co-terminal flying (LAX only)
31. Reserve
32. Buddy Bidding
33. Followed By
34. Carry Over

It has been recommended, by the PBS vendor, that the implementation start with the most significant of these preferences, with the remainder being phased in over time. AFA will explore this option to determine if it will provide better line building during the initial months of PBS line building. If less than the full number of preferences are initially offered, the remainder will be phased in over a period of time as Flight Attendants gain experience in bidding. All preferences will be offered no later than six (6) months after full implementation.

Preferences/avoidances can be conditioned on other preferences/avoidances.

Specifically agreed upon reserve bid request choices (blocks of reserve days will be pre-built, just as sequences are pre-built):

1. AM, PM and ER
2. Days on and off
3. Length of block
4. Month end carry-over

Other preferences may be mutually agreed upon prior to PBS implementation and request for said preferences will not be unreasonably denied. Up to two additional preferences may be added each calendar year, and said preferences will not be unreasonably denied.

Sequence Trading

No sequence trading involving the last five (5) days of the current month will be allowed during the line award process.

- 10.Q. Low Bid Option. At the Company's discretion, it may offer a low bid option. That

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option would allow a Flight Attendant to bid a line between 5 TFP over or under one-half of the line average in the domicile. If the Company offers a low bid option in a specific domicile, it will specify the number of Flight Attendants who will be able to hold that option, and conduct a bid, based upon seniority, by the 5th of the month prior. Flight Attendants awarded the low bid option will know their status prior to the PBS bid process. They will bid in the PBS, and their lines will be built to between one-half of the minimum/maximum TFP parameters for the domicile for that month. A Flight Attendant may not bid for a low bid option until she/he is off probation. A Flight Attendant who is awarded a low bid option will continue to receive all Company benefits, if otherwise eligible.

Sections of the 1999-2003 agreement affected by PBS, which would remain in effect, in whole or in part, until PBS is implemented:

- 10. A., B., C., E., F., G., I., Q., R., U., V., Y.
- 11. B.3., C.1., J.1.-7.
- 12. F.
- 14. C., H., K.

Plus applicable Q & A's related thereto

WITNESS:

FOR ASSOCIATION OF FLIGHT
ATTENDANTS-CWA, AFL-CIO

Veda Shook,
MEC President

Patricia A. Friend
International President

Renee Elson
Negotiating Committee Member

Stephen Poynter
Negotiating Committee Member

James H. Ellis
Negotiating Committee Member

Kimberley Chaput
Staff Attorney/Negotiator

WITNESS:

FOR ALASKA AIRLINES, INC.

Jeff Butler,
Managing Director Inflight

Kelley Dobbs,
Staff VP, Employee Services

Kieran Whitney,
Director Crew Resources

Lori Manning,
Manager Labor Relations

Dennis Hamel
Vice President, Employee Services

Sideletter No. 2

LETTER OF AGREEMENT REGARDING
RE-RATIFICATION OF PREFERENTIAL BIDDING SYSTEM
between
ASSOCIATION OF FLIGHT ATTENDANTS-CWA
and
ALASKA AIRLINES, INC.

This agreement is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, between Alaska Airlines, Inc. (hereinafter referred to as the "Company") and the Flight Attendants in the service of Alaska Airlines, Inc., as represented by the Association of Flight Attendants-CWA (hereinafter referred to as the "Association").

NOW, THEREFORE, it is mutually agreed to and understood:

1. The parties have negotiated a collective bargaining agreement effective from May 1, 2006, and amendable May 1, 2010. As part of that collective-bargaining agreement, the parties have agreed to implement a preferential bidding system (PBS).
2. Twenty-four months after the full implementation of PBS (for lineholders and Reserves), all Association members in good standing who are employed by the Company will have the opportunity to vote, by secret ballot, whether to maintain PBS. The Association will conduct the election and will certify the results. A simple majority vote (50% +1) will be required to maintain PBS.
3. If a majority of the members in good standing vote to retain PBS, all sections of the 2006-2010 collective-bargaining agreement will remain in full force and effect.
4. If a majority of the members in good standing do not vote to retain PBS, the all provisions of the 2006-2010 collective-bargaining agreement related to PBS will be stricken from the collective-bargaining agreement and will be replaced with the corresponding provisions of the 1999-2003 collective-bargaining agreement. All other provisions of the 2006-2010 collective-bargaining agreement will remain in full force and effect.

WITNESS:

FOR ASSOCIATION OF FLIGHT
ATTENDANTS-CWA, AFL-CIO

Patricia A. Friend
International President

Veda Shook
MEC President

Renee Elson
Negotiating Committee Member

Stephen Poynter
Negotiating Committee Member

James H. Ellis
Negotiating Committee Member

Kimberly Chaput
Staff Attorney/Negotiator

WITNESS:

FOR ALASKA AIRLINES, INC.

Jeff Butler,
Managing Director Inflight

Kelley Dobbs,
Staff VP, Employee Services

Kieran Whitney,
Director Crew Resources

Lori Manning,
Manager Labor Relations

Dennis Hamel
Vice President, Employee Services

Sideletter No. 3

LETTER OF AGREEMENT
between
ALASKA AIRLINES, INC.
and
THE FLIGHT ATTENDANTS
in service of
ALASKA AIRLINES, INC.
as represented by
THE ASSOCIATION OF FLIGHT ATTENDANTS
CONTRACT IMPLEMENTATION SCHEDULE

Listed below are the implementation dates for the respective sections of the new collective bargaining agreement:

Effective Date of Signing (May 1, 2006)

Section 1 Nondiscrimination (Sexual Orientation)
Section 3 Scope of Agreement (All Provisions)
Section 4 Status of Agreement (Merger Protection)
Section 5 Definitions (Co-Domicile; Doctor)
Section 7 Probation Period (All Provisions)
Section 8 Hours of Service (All Provisions)
Section 9 Junior Available Rules (All Provisions)
Section 10 Scheduling (Line Average; Personal Drops; Q. 13)
Section 16 Sick Leave/On the Job Injury (All Provisions)
Section 18 Reduction in Force (Voluntary Furlough)
Section 19 Grievance Procedures (All Provisions)
Section 20 Board of Adjustment (All Provisions)
Section 21 Compensation (Step Rates, Change to International Pay, Stranded Pay at Base)
Section 22 Expenses (All Provisions except Nutritious Snacks)
Section 23 Insurance (All Provisions)
Section 25 Safety, Health and Security
Section 26 Association Security (Payroll Deduction for Initiation Fees for New Hires)
Section 27 General Association Information (All Provisions)
Section 28 Domiciles (All Provisions)
Section 30 Training (All Provisions Unless PBS-Related)
Section 32 Attendance Policy (All Provisions)
PBS Implementation Committee
Signing Bonus—May 20th check

First full month after DOS

Section 10 Scheduling (Boarding Paid in TFP)
Section 21 Compensation (Ground Holding without Passengers; Ground Delay/Block Greater than Scheduled Paid in TFP)
Section 24 General and Miscellaneous (All Provisions Except Spanish-Qualified)

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Second full month after DOS

Section 11 Reserves (All Sections)
Section 12 Exchange of Sequences (Minimum 12 Days in Open Time when it Opens)
Section 15 Leaves of Absence (All Sections)
LOA Early Out (First 50)
Section 12 Minimum 12 days Open in Open Time for at least 24 hours

July 1, 2006

Minimum Flying (Prorated for 2006)

DOS plus 4 months, 2006

Section 12 Exchange of Sequences (4 hours Prior to Departure, Day for Day Multi Sequence Trading)

September 1, 2006

LOA Extended Two (2) and Three (3) Year Leaves
LOA Early Out (Second 50)
Section 23 Expenses (Nutritious Snacks Replace Crew Meals)
PBS Training: Parallel Bidding

October 1, 2006

Section 14 Vacations (At Least 5% of Days in Each Month—For 2007 Vacation)

December 31, 2006

Section 21 Compensation (Profitability Bonus)

January 1, 2007

Section 10 Scheduling (PBS for Line Holders) (estimated)
Section 14 Vacations (Unlimited Trading, 4TFP Value)
Section 29 VPP replaces profit sharing
Section 30 Training (PBS-related items) (estimated)

March 1, 2007 (estimated and subject to change)

Section 10 Scheduling (PBS for Reserves)

April, 2007

Section 24 General and Miscellaneous (Spanish Qualified)

Between the date of ratification and implementation of the new Section 10, Scheduling of the Flight Attendants will be governed by Section 10 of the 1999-2003 collective bargaining agreement.

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WITNESS:

 Patricia A. Friend
 International President

 Renee Eison
 Negotiating Committee Member

 James H. Ellis
 Negotiating Committee Member

WITNESS:

 Jeff Butler,
 Managing Director Inflight

 Kieran Whitney,
 Director Crew Resources

 Dennis Hamel
 Vice President, Employee Services

FOR ASSOCIATION OF FLIGHT
 ATTENDANTS-CWA, AFL-CIO

 Veda Shook
 MEC President

 Stephen Poynter
 Negotiating Committee Member

 Kimberley Chaput
 Staff Attorney/Negotiator

FOR ALASKA AIRLINES, INC.

 Kelley Dobbs,
 Staff VP, Employee Services

 Lori Manning,
 Manager Labor Relations

Sideletter No. 4 (former No. 3)

**LETTER OF AGREEMENT
 between
 ALASKA AIRLINES, INC.
 and**

**THE FLIGHT ATTENDANTS IN ITS SERVICE
 as represented by
 THE ASSOCIATION OF FLIGHT ATTENDANTS, AFL-CIO**

This Letter of Agreement is made and entered into in accordance with the provisions of the Railway Labor Act, as amended, by and between Alaska Airlines, Inc. ("Company") and the Association of Flight Attendants, AFL-CIO ("Union").

WHEREAS, the Company and the Association have reached an understanding regarding the disposition of the current qualified money purchase plan titled "Retirement Plan for Flight Attendants of Alaska Airlines, Inc.," as amended and restated effective January 1, 1989, being provided to the Flight Attendants, as well as changes to the current Alaska Airlines, Inc. Flight Attendant 401(k) Plan, effective January 1, 1988;

NOW, THEREFORE, the Parties agree that:

1. The current Retirement Plan for Flight Attendants of Alaska Airlines, Inc. and the Alaska Airlines, Inc. Flight Attendant 401(k) Plan will be merged into one (1) plan;
2. All provisions of the two (2) current plans referred to in 1. above, including but not limited to the provisions relating to eligibility, vesting, benefit accrual, benefit payment options, etc., shall remain in effect for all benefits accrued prior to the date of plan merger;
3. The Retirement Board letter dated September 6, 1988 shall apply to the accounts affected by the money purchase plan.
4. All contributions of the Company and the Participants shall be on deposit in the 401(k) Trust Fund no later than the tenth (10th) of the month following the month to which they apply, or sooner if required by law.
5. Monies accrued up to the date of the merger in the money purchase plan shall be invested in accordance with the directions of the Retirement Board. Monies that are subject to self-direction shall be invested in a wide range of funds.
6. There shall be no gap in the Company contribution due to the merger of the plans. Until such time that the employees are given a chance to contribute and to receive matching contributions under the resulting 401(k) plan, the seven percent (7%) Company contribution shall continue to be made to the money purchase plan. Employee contributions will continue to be made to the 401(k) plan under the current provisions of that plan until the merger takes place.
7. As Early Retirement is defined in the 401(k) plan but no specific distribution option addresses early retirement, Section 6.1 of the current 401(k) Plan shall be amended to provide that "Upon attaining his Normal or Early Retirement Date..."

8. Section 3.2 of the 401(k) Plan shall provide that a Participant may elect to defer as little as one percent (1%) to his Salary Deferral Account.

9. The Company shall pay all expenses of the merged plan, at least to the extent provided under Section 9.2 of the current money purchase plan with regard to all benefits accrued under the money purchase plan. In addition, the only fees charged to the Participant 401(k) accounts shall be investment fees associated with the Participant's direction of those individual accounts.

10. AFA shall review any documents associated with the merger prior to filing. The Company shall consider AFA's input on the draft documents and incorporate any mutually agreed upon changes. Review and agreement on the plan documents will follow as soon as reasonably practical after the effective date of the plan merger and implementation of the new 401(k) provisions.

11. Alaska Airlines shall file all appropriate filings with the appropriate government agencies and shall obtain a determination letter on the qualification for the merged plan. A copy of the final document shall be provided to AFA upon filing.

12. In the event that the merged plan is found not to be qualified, Alaska Airlines shall enter into any appropriate closing agreement with the IRS and pay all applicable fees to retroactively correct the plan defects.

IN WITNESS WHEREOF, the parties hereto have signed this Letter of Agreement this 22nd day of March, 1994.

WITNESS:

s/Gail L. Neufeld
s/M. A. Blackburn
s/A. Gordon

FOR ALASKA AIRLINES, INC.

s/Nick McCudden
Nick McCudden, Assistant Vice President,
Labor Relations

s/Patrick L. Glenn

WITNESS:

s/Barbara A. Zorich
s/Sandra L. Morrow
s/Kelle P. Wells
s/P. Mastrangelo

FOR THE ASSOCIATION OF FLIGHT
ATTENDANTS

s/Dee Maki
Dee Maki, President

s/Gail L. Bigelow
Gail L. Bigelow, President, Alaska
Airlines Master Executive Council

March 14, 2006

Veda Shook
MEC President
20415 72nd South
Suite 415
Kent, Washington 98032

RE: Miscellaneous Issues

Dear Veda:

This will confirm our agreement with respect to the following issues:

1. The Company will continue payroll deduction for uniform items purchased before the Date of Signing, pursuant to Section 13 of the 1999-2003 Collective-Bargaining Agreement, until such time as all items have been fully paid.

2. The new Collective-Bargaining Agreement requires Flight Attendants to fly or be credited with 480 TFP in a calendar year (with adjustments for leaves of absence, furlough or being hired mid-year) in order to be eligible for insurance benefits, step-rate increases and vacation pay. Because the new Collective-Bargaining Agreement will go into effect during calendar year 2006, the Company has agreed to pro-rate the required TFP needed for eligibility for 2007. Between July 1, 2006, and December 31, 2006, Flight Attendants must fly or be credited (or receive appropriate adjustments) 120 TFP in order to be eligible for insurance benefits, step-rate increases and vacation pay in 2007.

3. Whenever the new collective-bargaining refers to a sick child, it is understood that this is a placeholder for "family member." With the Association's agreement, the Company will apply the most liberal of the laws of the states in which Flight Attendants are domiciled in determining the appropriate definition of "family member." When this definition is determined, including any subsequent amendments pursuant to changes in law or in the interpretation of the law, the Company will publish the definition and distribute it to the Flight Attendants.

4. Payroll deduction of the Association initiation fee will apply only to those Flight Attendants hired on or after the Date of Signing.

5. The requirement that termination grievances be arbitrated within six months of submission to the System Board (Section 20.G) will apply only to those Flight Attendants terminated on or after the Date of Signing.

Sincerely,

Jeff Butler, Managing Director, Inflight

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